

PETER C. HARVEY
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
Richard J. Hughes Justice Complex
25 Market Street
P.O. Box 093
Trenton, New Jersey 08625-0093

FILED

May 7, 2004

**NEW JERSEY STATE BOARD
OF MEDICAL EXAMINERS**

By: Kay R. Ehrenkrantz
Deputy Attorney General
Telephone: (609) 984-4654

STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
BOARD OF MEDICAL EXAMINERS
OAL DOCKET NO. BDSME 11107-2002

IN THE MATTER OF THE
SUSPENSION OR REVOCATION
OF THE LICENSE OF

CHANDRAKANT PATEL, M.D.
LICENSE NO. MA 37166

TO PRACTICE MEDICINE *AND*
SURGERY IN THE STATE OF
NEW JERSEY

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Administrative Action

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CONSENT ORDER OF
SURRENDER OF LICENSE

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This matter was opened to the New Jersey State Board of Medical Examiners ("Board") upon the filing on May 28, 2002 of an Order to Show Cause returnable on June 12, 2002, seeking the temporary suspension of Respondent Chandrakant Patel's license to practice medicine and surgery in the State of New Jersey and Verified Complaint by David Samson, Attorney General of New Jersey (Deputy Attorney General Kay R. Ehrenkrantz). Respondent Patel appeared before a Preliminary Evaluation Committee of the Board in

CERTIFIED TRUE COPY

April 2002, and testified about his medical care of a number of patients at his Universal Industrial Clinic ("UIC") and his basic medical knowledge. The seventeen (17) Count Complaint alleged that Respondent's continued medical practice constituted a clear and imminent danger to the public arising from his repeated acts of negligence and gross incompetence, based on his negligent medical practices, deficient medical knowledge, and his laboratory's failure to comply with the Clinical Laboratory Improvement Act ("CLIA"). Dr. Patel, through Counsel Raymond A. Brown, Esq. and Anthony LaBue, Esq., filed an Answer denying the allegations.

On June 12, 2002, an Interim Consent Order was filed to resolve the Order to Show Cause. Dr. Patel consented to voluntarily refrain from the clinical practice of medicine and surgery in the State of New Jersey without prejudice and in accordance with the terms of this Order. Dr. Patel hired and paid for a practice monitor, approved by the Board, who has ensured that the practice at UIC operated in compliance with all regulations and statutes of the State of New Jersey pertaining to medical practice. Monthly reports demonstrating compliance were to be made to Board Medical Director Gluck by the Board-approved monitor from the date of the filing of the Interim Consent Order until further Order of the Board.

The Complaint also sought the temporary suspension of Pablo Roy, M.D.'s laboratory director's license to practice medicine and surgery and his bio-analytical laboratory director license. Laboratory Director Pablo Roy denied the allegations. In October 2002, by Consent Order, Dr. Roy retired both his licenses. His surrender of those licenses were deemed license revocations.

Trial of the Amended Verified Complaint was scheduled for April 21, 2004. Dr. Patel, desiring to resolve the present matter pleads no contest to the following Counts of the Complaint:

1. Count XII of the Amended Verified Complaint, which alleged that he had referred his patients to his laboratory known as Universal Industrial Clinic ("UIC") and subsequently Medical Lab of Ironbound ("MLI") for blood tests that UIC and/or MLI were not licensed to perform;

2. Count XIII, which alleged that he had failed to acquire a license for the MRI;

3. count XIV, which alleged that on or about April 8, 2002, during the inspection of Dr. Patel's clinic, UIC, degraded blood specimens awaiting submission to laboratories for testing were found in the UIC refrigerator, and that UIC received blood specimens and maintained them in an unrefrigerated box by the reception desk for up to several hours;

4. Count XV, which alleged that on or about April 8, 2002, Respondent Patel and UIC maintained dozens of expired medications in its office, and that UIC maintained unsecured CDS medication;

5. Count XVI, which alleged that during the time pertinent to the Amended Complaint, Respondent Patel failed to maintain legible medical records for UIC patients, and that he failed to prepare contemporaneous permanent professional treatment records that accurately reflected the professional treatment or services rendered;

6. Count XVII, which alleged, in part, that Dr. Patel lacked adequate medical knowledge and improperly medically treated a number of patients.

These facts establish a basis for disciplinary action pursuant to N.J.S.A. 45:1-21(b), (c), (d), (e), (h) and (i).

The Board finding the within disposition adequately protective of the public health, safety, and welfare and other good cause having been shown,

IT IS, therefore, on this 7th day of May, 2004,

ORDERED AND AGREED THAT:

1. Respondent, Chandrakant Patel, M.D., seeks leave to surrender his license to practice medicine and is hereby granted leave to surrender his license to practice medicine and surgery in

the State of New Jersey. Said surrender shall be deemed a revocation of his license.

2. Dr. Patel shall be permitted to make an application for reinstatement of his license to practice medicine and surgery in the State of New Jersey only after demonstrating satisfaction of all of the following conditions:

a. Twenty-four (24) months have passed from entry of the within Order;

b. The completed MRAC evaluation performed prior to this Order has been provided to the Attorney General. Any deficiencies noted shall serve as a guide to the areas of remediation which Dr. Patel must address.

c. Dr. Patel shall participate in a Board-approved focused education program, such as, but not limited to, the MRAC program, and successfully complete any and all supplemental follow-up and remediation required by such evaluation program, subject to further review of such assessment and/or remediation by the Board. Once those conditions have been satisfied, Dr. Patel shall have an appearance before a Committee of the Board for the purpose of demonstrating competence and fitness to practice medicine;

a. Dr. Patel shall also demonstrate complete compliance with this Order at the time of his appearance.

3. Dr. Patel shall have thirty (30) days from the date of the filing of this Order to transfer all ownership of any medical practice or facility, requiring a medical license. Specifically, he shall cease to own the Universal Industrial Clinic, and any other medical practices, subsumed under the incorporation name Chandrakant Patel, M.D.P.A..

4. Dr. Patel is hereby assessed:

a. Civil penalties, pursuant to N.J.S.A. 45:1-22, in the amount of \$15,000.00;

b. Costs of investigation and expert fees in the amount of \$16,000.00;

c. Attorney's fees in the amount of \$24,000.00;

d. A Certificate of Debt will be filed for (a)-(c).

Payment of all monies owed, pursuant to 4(a)-(c), shall be submitted in monthly payments of \$5,000.00 and paid in full within twelve (12) months of the entry of the within Consent Order with interest accruing at the post-judgment interest rate as established by New Jersey Court Rule 4:42-11(a)(ii), which is 2% for the year 2004, pursuant to the attached schedule. Payment shall be submitted by certified check or money order payable to the State of New Jersey. Payment shall be sent via regular mail to William Roeder, Executive Director, Board of Medical Examiners, P.O. Box 183, Trenton,

NJ 08625-0183. The first: payment shall be due within ten (10) days of the filing of the Consent Order. Thereafter, payment shall be received in the Board office by the fifteenth (15th) of each month.

4 Dr. Patel shall return his original CDS registration to the New Jersey State Board of Medical Examiners, Post Office Box 183, Trenton, New Jersey 08625-0183, within ten (10) days of his receipt of a filed copy of this Order and shall not seek another CDS registration unless and until he is licensed by the Board.

6. Dr. Patel shall immediately advise the DEA of this Order.

7. Dr. Patel shall comply with the "Directives Applicable To Any Medical Board Licensee Who Is Disciplined Or Whose Surrender Of Licensure Has Been Accepted" which is attached hereto and made a part hereof.

8. Dr. Patel shall be permitted to serve as a medical assistant, without representing himself as a physician. If asked whether he is a licensed doctor, he shall state he is not. If he violates this provision, he shall be subject to criminal prosecution for the unlicensed practice of medicine and such conduct will be considered a violation of this Order.

9. A Board-approved practice monitor, presently Nurse Frane, shall remain in place at any medical setting in which Dr. Patel is

employed. Her responsibilities shall include quarterly reports to ensure that Dr. Patel 's employment is consistent with the terms of the Order and that such medical practice is operated consistently with Board statutes and regulations, including, but not limited to,

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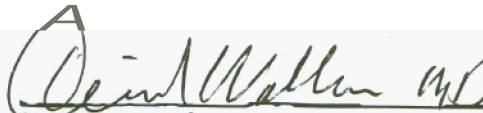
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medication storage, medical recordkeeping systems, and proper licensing of all employees and all equipment. Reports shall be submitted to the Medical Director of the Board.

NEW JERSEY STATE BOARD OF MEDICAL EXAMINERS

By:



David Wallace, M.D.
President

I have read and understood the within Order and agree to be bound by its terms. Consent is hereby given to the Board to enter this Order.



Chandrakant Patel, M.D.

Consented to as to form.

Anthony LaBue, Esq.
Counsel for Respondent

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Anthony LaBue, Esq.
Counsel for Respondent

**DIRECTIVES APPLICABLE TO ANY MEDICAL BOARD LICENSEE
WHO IS DISCIPLINED OR WHOSE SURRENDER OF LICENSURE
HAS BEEN ACCEPTED**

APPROVED BY THE BOARD ON MAY 10, 2000

All licensees who are the subject of a disciplinary order of the Board are required to provide the information required on the addendum to these directives. The information provided will be maintained separately and will **not be part of the** public document filed with the Board. Failure to provide the information required may result in further disciplinary action for failing to cooperate with the Board, **as required by N.J.A.C. 13:45C-1 et seq. Paragraphs 1 through 4 below shall** apply when a license is suspended or revoked or permanently surrendered, with or without prejudice. **Paragraph 5 applies to licensees who are the** subject of an order which, while permitting continued practice, contains a probation or monitoring requirement.

1. Document Return and Agency Notification

The licensee shall promptly forward to the **Board office at Post Office Box 183, 140 East Front Street, 2nd floor, Trenton, New Jersey 08625-0183**, the original license, current biennial registration and, if applicable, the original CDS registration. In addition, if the licensee holds a Drug Enforcement Agency (DEA) registration, he or she shall promptly advise the DEA of the licensure action. (With respect to suspensions of a finite term, at the conclusion of the term, the licensee may contact the Board office for the return of the documents previously surrendered to the Board. In addition, at the conclusion of the term, the licensee should contact the DEA to advise of the resumption of practice and to ascertain the impact of that change upon his/her DEA registration.)

2 Practice Cessation

The licensee shall cease and desist from engaging in the practice of medicine in this State. This prohibition not only bars a licensee from rendering professional services, but also from providing an opinion as to professional practice or its application, or representing him/herself as being eligible to practice. [Although the licensee need not affirmatively advise patients or others of the revocation, suspension or surrender, the licensee must truthfully disclose his/her licensure status in response to inquiry.] The disciplined licensee is also prohibited from occupying, sharing or using office space in which another licensee provides health care services. The disciplined licensee may contract for, accept payment from another licensee for or rent at fair market value office premises and/or equipment. In no case may the disciplined licensee authorize, allow or condone the use of his/her provider number by any health care practice or any other licensee or health care provider. (In situations where the licensee has been suspended for less than one year, the licensee may accept payment from another professional who is using his/her office during the period that the licensee is suspended, for the payment of salaries for office staff employed at the time of the Board action.)

A licensee whose license has been revoked, suspended for **one (1) year** or more or permanently surrendered must remove signs and take affirmative action to stop advertisements by which his/her eligibility to practice is **represented**. The licensee must also take **steps to remove his/her name from professional listings**, telephone directories, **professional stationery**, or billings. If the licensee's name is utilized in a group practice title, it shall be **deleted**. Prescription pads bearing the licensee's name shall be destroyed. A **destruction report form obtained from the Office of Drug Control (973-504-6558)** must be filed. If no other licensee is providing services at the location, all medications must be removed and **returned to the manufacturer, if possible, destroyed or safeguarded**. (In situations where a license has been suspended for less than one year, prescription pads and medications need not be destroyed but must be secured in a locked place for safekeeping.)

3. Practice Income Prohibitions/Divestiture of Equity Interest in Professional Service Corporations and Limited Liability Companies

A licensee shall not charge, receive or share in any fee for professional services rendered by him/herself or others while **barred from engaging in the professional practice**. The licensee may be compensated for the reasonable value of services lawfully rendered and disbursements incurred on a patient's behalf prior to the effective date of the Board action.

A licensee who is a shareholder in a professional service corporation organized to engage in the professional practice, whose license is **revoked, surrendered or suspended for a term of one (1) year or more** shall be deemed to be **disqualified from the practice** within the meaning of the Professional Service Corporation Act. (N.J.S.A. 14A:17-1). A **disqualified licensee shall divest him/herself of all financial interest in the professional service corporation pursuant to N.J.S.A. 14A:17-13(c)**. A licensee who is a **member of a limited liability company** organized pursuant to N.J.S.A. 42:1-44, shall **divest him/herself of all financial interest**. Such divestiture shall occur within 90 days following the entry of the Order rendering the licensee disqualified to participate in the applicable form of ownership. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the **Secretary of State, Commercial Reporting Division**, demonstrating that the interest has been terminated. If the licensee is the sole shareholder in a professional service corporation, the corporation must be **dissolved** within **90 days** of the licensee's disqualification.

4. Medical Records

If, as a result of the Board's action, a practice is **closed** or transferred to another location, the licensee shall ensure that during the three (3) month period following the effective date of the disciplinary order, a message will be delivered to patients calling the former office premises, advising where records may be obtained. The message should **inform patients of the names and telephone numbers of the licensee (or his/her attorney)** assuming custody of the records. The **same information shall** also be disseminated by means of a notice to be published at least once per month for three (3) months in a newspaper of

general circulation in the geographic vicinity in which the practice was conducted. At the end of the three month period, the licensee shall file with the Board *the* name and telephone number of the contact person who will have access to medical records of former patients. Any change in that individual or his/her telephone number shall be promptly reported to the Board. When a patient or his/her representative requests a copy of his/her medical record or asks that record be forwarded to another health care provider, the licensee shall promptly provide the record without charge to the patient.

5. Probation/Monitoring Conditions

With respect to any licensee who is the subject of any Order imposing a probation or monitoring requirement or a stay of an active suspension, in whole or in part, which is conditioned upon compliance with a probation or monitoring requirement, the licensee shall fully cooperate with the Board and its designated representatives, including the Enforcement Bureau of the Division of Consumer Affairs, in ongoing monitoring of the licensee's status and practice. Such monitoring shall be at the expense of the disciplined practitioner.

(a) Monitoring of practice conditions may include, but is not limited to, inspection of the professional premises and equipment, and inspection and copying of patient records (confidentiality of patient identity shall be protected by the Board) to verify compliance with the Board Order and accepted standards of practice.

(b) Monitoring of status conditions for an impaired practitioner may include, but is not limited to, practitioner cooperation in providing releases permitting unrestricted access to records and other information to the extent permitted by law from any treatment facility, other treating practitioner, support group or other individual/facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by a rehabilitation program for impaired practitioners. If bodily substance monitoring has been ordered, the practitioner shall fully cooperate by responding to a demand for breath, blood, urine or other sample in a timely manner and providing the designated sample.

NJ License # _____

ADDENDUM

Any licensee who is the subject of an order of the Board suspending, revoking or otherwise conditioning the license, shall provide the following information at the time that the order is signed, if it is entered by consent, or immediately after service of a fully executed order entered after a hearing. The information required here is necessary for the Board to fulfill its reporting obligations:

Social Security Number': _____

List the Name and Address of any and all Health Care Facilities with which you are affiliated:

List the Names and Address of any and all Health Maintenance Organizations with which you are affiliated:

Provide the names and addresses of every person with whom you are associated in your professional practice: (You may attach a blank sheet of stationery bearing this information).

¹ Pursuant to 45 CFR Subtitle A Section 61.7 and 45 CFR Subtitle A Section 60.8, the Board is required to obtain your Social Security Number and/or federal taxpayer identification number in order to discharge its responsibility to report adverse actions to the National Practitioner Data Bank and the HIP Data Bank.